

WORLD BRIEFS

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S&P 500 INDEX

930.87
+3.01

NASDAQ COMPOSITE

1,624.63
+6.39DOW
30 INDUSTRIALS
7,867.24
-27.40

GOLD MERC. SPOT

\$321.70
-\$0.60

COPPER MERC.

96.95¢
-20¢

TRIBUNE BLOOMBERG INDEX FOR UTAH 200.68 +0.19

MEANWHILE, IN UTAH...

Borden Will Sell Meadow Gold

Borden Inc. has received federal antitrust clearance to sell its Ogden-based Borden/Meadow Gold Dairies to Mid-America Dairymen Inc. in a deal worth \$435 million.

The clearance came after Springfield, Mo.-based Mid-America agreed to spin off nine dairies in Texas, Louisiana and New Mexico to a competitor, the U.S. Justice Department said.

Without the agreement, the dairy sale would have reduced competition for the sale of milk to public schools in some areas, the Justice Department said.

Mid-America, the nation's largest dairy cooperative, announced in May that it would buy Borden/Meadow Gold Dairies, including a license to use the Elsie the Cow trademark.

Borden/Meadow Gold Dairies operates 27 processing plants in Utah and 10 other states. It has 3,600 employees who process milk, ice cream, yogurt, cottage

BRIEFLY ...

Deal to Fund Asphalt Plant Near Vernal

MCN and Crown Energy Will Spend \$15 Million

BY STEVEN OBERBECK

THE SALT LAKE TRIBUNE

At Crown Energy Corp. in Salt Lake City, the road to fortune is paved with common, ordinary asphalt.

The tiny Utah company, whose stock is traded over-the-counter, has struck a joint venture deal with the giant MCN Energy Group Inc. in Detroit to build a \$15 million asphalt plant on tar sand deposits near Vernal.

"It is not often that a company with market capitalization of \$10 million can do a deal with a corporation with \$4 billion in assets," said Crown Energy spokesman Rich Rawdin. "This is a big deal for us."

Crown has been trying since 1992 to attract the interest of a major investor willing to fund development of its proposed asphalt refinery near Vernal's "asphalt ridge."

Early last year, the company hired James A. Middleton, a former president of ARCO Oil

and Gas and executive vice president of Atlantic Richfield, to lead the effort.

And now Crown appears to have found that deep-pocket investor in MCN Energy, whose operations center around its Michigan Consolidated Gas Co. subsidiary, a natural gas distributor and interstate gas transmission company.

"The asphalt business is a new venture for us," said Stewart Lawrence, a spokesman for MCN Energy. "Basically, Crown will be putting up their property and technology, and we will be putting up most of the cash."

Crown controls some 7,000 acres near Vernal with tar sand deposits. Yet despite its extensive land holdings, it is not yet in the clear.

Under the joint venture, said Rawdin, Crown is still expected to contribute 25 percent of the cost of building the plant, or roughly \$3.7 million.

In its latest quarterly financial statement filed with the Securities and Exchange Commission, Crown reported it had revenues of just \$26,993 for its second quarter ended June 30. While it reported assets of \$3.6 million, it had no working capital with its current liabilities of \$476,506 exceeding its current assets

by more than \$132,000.

"We are working on raising the money with our investment bankers and do not expect to have any problems," Rawdin said. The \$15 million is expected to bring the first phase of the company's plant on line and to the point where it can begin delivering product by early 1998, he said.

The venture with MCN calls for three phases.

"Each phase of the plant will be designed to produce 100,000 tons of asphalt annually," Rawdin said, noting the company expects its asphalt — which it anticipates will rival the quality of even the high-grade asphalt from Trinidad — to sell for around \$150 per ton.

Once production begins, according to Rawdin, Crown will receive 25 percent of the revenues generated until MCN recovers its initial \$15 million investment. After that, revenues will be split through the second and third phases.

"We have been working on this project for what seems like forever," Rawdin said. "It has been tough going being a small company."

Crown's stock closed Thursday at \$1 3/16, up 3/16ths.

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UTAH COUNTY